



Request for City Council Committee Action From the Department of Public Works

Date: March 19, 2013

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Referral: Honorable Betsy Hodges, Chair Ways & Means/Budget Committee

Subject: **Contract Amendments with the City of Edina, City of Columbia Heights, and the Metropolitan Airports Commission**

Recommendation:

Authorize proper city officers to amend contracts as follows:

- C-26961 with the City of Edina for the purpose of changing the ownership of the water meter.
- C-20603 with the City of Columbia Heights for the purpose of rebuilding the Columbia Heights meter and changing the ownership of the meter.
- C-26824 with the Metropolitan Airports Commission for the purpose of changing the ownership of the water meters.

Previous Directives:

- June 15, 2009 – Approval of authority to enter into a twenty-year contract, for the sale of water to the Metropolitan Airports Commission.
- June 1, 2004 – Approval of authority to enter into a twenty-year contract, for the sale of water to the City of Edina.
- June 1, 2004 – Approval of authority to enter into a thirty-year contract, for the sale of water to the City of Columbia Heights.

Prepared by: Bernie Bullert

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Bernie Bullert

Reviews

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

Financial Impact

No financial impact

Community Impact

Neighborhood Notification: Not Applicable

City Goals: Not Applicable

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

Background/Supporting Information

Purpose of Amendments

The Cities of Edina and Columbia Heights and the Metropolitan Airports Commission have agreed to amend their water contracts with Minneapolis. The amendments propose that Minneapolis become the owner of the existing meters used to provide water to those entities but not the entities' retail metering equipment or manholes. Staff believes it is in our best interest to own all our meters so we can test them on our own schedule to assure accuracy as meter accuracy is very important to our revenue stream. These meters cost about \$18,000 each and are tested bi-annually at a cost of \$700 per test. Replacement is not expected to be necessary for 25 to 30 years. The minimal maintenance and testing costs associated with taking on ownership of these meters is offset by the reliability that ownership will provide.